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Globalization and interdependence: globalization and interdependence

Groups of countries in special situations: Third United Nations Conference on the Least Developed Countries

Letter dated 3 August 2007 from the Permanent Representative of Benin to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the Istanbul Declaration on the Least Developed Countries: Time for Action, adopted at the Ministerial Conference of Least Developed Countries held in Istanbul on 9 and 10 July 2007, on the theme "Making globalization work for least developed countries" (see annex).

It would be appreciated if the present letter and its annex were issued as a document of the sixty-second session of the General Assembly, under items 58 (a) and 59 (a) of the provisional agenda.

(*Signed*) Jean-Marie **Ehouzou**
Ambassador
Permanent Representative

* A/62/150.

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Annex to the letter dated 3 August 2007 from the Permanent Representative of Benin to the United Nations addressed to the Secretary-General

ISTANBUL DECLARATION ON LEAST DEVELOPED COUNTRIES: TIME FOR ACTION

We, the Ministers and Heads of Delegations of the Least Developed Countries having gathered, upon invitation of the Government of Turkey, on 9 and 10 July 2007, in Istanbul, Turkey, for the Ministerial Conference on "Making globalization work for the Least Developed Countries",

Reaffirming our commitment to the Programme of Action for the Least Developed Countries for the Decade 2001-2010, adopted in Brussels, Belgium, in May 2001, at the Third United Nations Conference on Least Developed Countries,

Reaffirming also our commitment to the Declaration adopted by the Heads of States, Governments and Heads of delegations on 20 September 2006, at the High-level meeting of the General Assembly on the Midterm Comprehensive Global Review of the implementation of the Brussels Programme of Action,

Reaffirming further our commitment to the Ministerial Declaration adopted during the Ministerial Conference held on 7 and 8 June 2006 in Cotonou, Benin, in preparation for the high-level meeting of the General Assembly on the Midterm Comprehensive Global Review of the implementation of the Programme of Action,

Restating our commitment to the Cotonou Strategy for the Further Implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010 which provides guidelines for the timely implementation of the Brussels Programme of Action,

Recognizing that most Least Developed Countries have made considerable progress, *inter alia*, in the promotion of democracy, human rights, the rule of law, transparency, accountability, and other legal and institutional mechanisms as well as in strengthening human and institutional capacities and macroeconomic reforms,

Recognizing that sustained economic growth, sustainable development, poverty alleviation and full integration of the Least Developed Countries into the global economy are contingent, *inter alia*, upon the realization of commitments by the development partners including through fulfilment of Official Development Assistance targets, all outstanding debt cancellation, increased investment flows and unhindered market access and transfer of technology to Least Developed Countries,

Noting with concern that Least Developed Countries face special difficulties in responding to the central challenge of globalization that is to ensure that globalization becomes a positive force for all,

Recalling that the Brussels Programme of Action provides a framework for a strong global partnership to enable Least Developed Countries to integrate beneficially into the global economy,

Being resolved to implement the Brussels Programme of Action without further delay,

Have adopted the following Declaration:

1. *We recognize* that the ongoing process of globalization and interdependence is potentially a powerful and dynamic force that can contribute to growth, poverty eradication and sustainable development. It is however of great concern to us that while some countries have benefited from globalization, the Least Developed Countries remain marginalized in the globalizing world economy;

2. *We also recognize* the increasing interdependence of national economies in a globalizing world and the emergence of rule-based regimes for international economic relations, and *we emphasize* that it is for each Government to evaluate the trade-offs between the benefits of accepting international rules and commitments and the constrains posed by the loss of policy space, and that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments;

3. *We stress the need* for a fair globalization and open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial systems that benefit all countries in pursuit of sustainable development, particularly the Least Developed Countries;

4. *We strongly urge* the development partners to fulfil their commitments, particularly made for Least Developed Countries in the outcomes of the major United Nations conferences and summits in the economic, social and related fields so as to allow Least Developed Countries to achieve socio-economic development and beneficially integrate into the global economy;

5. *We reiterate* that trade and investment are important means for achieving sustained economic growth, sustainable development and poverty eradication;

6. *We call upon* developed countries that have not already done so and developing countries in a position to do so to provide immediate, predictable, duty-free and quota-free market access on a lasting basis to all products originating from all Least Developed Countries;

7. *We note* serious distortions in production and trade in agricultural products caused by the export subsidies, trade-distorting domestic support and protectionism by many developed countries, and we *urge* developed countries to eliminate all trade distorting barriers including tariff peaks and tariff escalation, high subsidies and other non-tariff barriers;

8. *We call upon* development partners to respond to trade-capacity needs of the Least Developed Countries by significantly increasing their contributions to the trust fund of the Enhanced Integrated Framework for Trade-related Technical Assistance for the Least Developed Countries;

9. *We underscore* the urgent need to operationalize the aid for trade initiative with sufficient additional, non conditional and predictable funding, which should primarily support Least Developed Countries to address their supply

constraints, diversify, promote value addition and improve their infrastructural, human and institutional capacities;

10. *We call upon* the development partners to facilitate foreign direct investment flows to the Least Developed Countries in order to support their development activities and to enhance the benefits they can derive from such investments, particularly in the areas of capacity building, technology transfer, building and developing infrastructure, entrepreneurship development, employment generation and poverty alleviation;

11. *We stress* that agriculture is still the pivotal sector in the economies of many Least Developed Countries which underpins food security, foreign exchange earnings, rural development and employment generation, and *we call upon* our development partners to assist the Least Developed Countries in improving their productive capacity, increasing competitiveness, and moving up the value chain in processing and export of agricultural products by supporting them through the Official Development Assistance (ODA), foreign direct investments and improved access to appropriate technologies and practices;

12. *We recognize* the need for affordable, reliable, economically viable, socially acceptable and environmentally sound supplies of energy for promoting growth and sustainable development, *and we call upon* the international community to assist the Least Developed Countries in building a strong energy sector by providing financial and technical assistance, and facilitating public and private sector investment in the sustainable use of traditional energy resources, advanced, cost-effective and cleaner fossil fuel technologies and renewable energy resources, such as solar photovoltaic and thermal energy, wind power, geothermal energy, hydropower and biogas;

13. *We acknowledge* that science and technology are vital for the achievement of development goals and that the "technological gap" between the Least Developed Countries and other countries impedes their capacity to fully participate in the global economy and constitutes a major challenge in their efforts to enhance productive capacity, increase competitiveness, attract private capital flows, generate income and employment, reduce poverty and achieve sustained economic growth and sustainable development;

14. *We urge* the international community to promote and facilitate access to, the development, acquisition, transfer and diffusion of technologies, particularly environmentally sound technologies and corresponding know-how to the Least Developed Countries; and *we call* for increased technical and financial assistance to the Least Developed Countries for strengthening their national innovation capacity, *inter alia*, through R&D;

15. *We also urge* development partners to broaden and strengthen the participation of Least Developed Countries in the international economic decision-making and norm-setting and in this regard *we call upon* the international community to undertake pragmatic and innovative measures to further enhance their effective participation in international dialogues and decision-making processes;

16. *We further urge* all countries and the United Nations System, including the Bretton Woods Institutions and the World Trade Organization, to make concrete efforts and adopt speedy measures with a view to making globalization work for Least Developed Countries;

17. *We call upon* all development partners to support the implementation of the transition strategy of countries graduating from the list of Least Developed Countries, to avoid any abrupt reductions in either official development assistance or technical assistance provided to the graduated country and to consider extending to the graduated country trade preferences, previously made available as a result of least developed country status, for a period appropriate to the development situation;

18. *We reaffirm* that South-South cooperation as well as subregional and regional cooperation have an important role for the Least Developed Countries development in areas such as human and productive capacity-building, technical assistance and exchange of best practices, particularly in issues relating to credit and finance, health, education, professional training, environment, energy including, *inter alia*, hydroelectricity, water resources, tourism, science and technology, trade, investment and transit transport cooperation. Such cooperation, including *inter alia* triangular approaches, should be supported by the international community;

19. *We recognize* that national security and stability are essential for the implementation of the Brussels Programme of Action in the Least Developed Countries. In particular, Least Developed Countries in conflict, emerging from conflict and in post conflict situation require enhanced international support with the view to achieving the goals and targets of the Brussels Programme of Action in a timely manner;

20. *We appreciate* the determination of the Government of Turkey to assist the Least Developed Countries in their efforts to achieve sustained economic growth, sustainable development and poverty eradication and, in this regard, we welcome its commitment to allocate 5 million US dollars specifically for the Least Developed Countries for their small and medium scale development projects, as well as its pledge of one million US dollars to the Trust Fund of the Enhanced Integrated Framework for Trade-related Technical Assistance for the Least Developed Countries, in addition to the fund of 15 million US dollars, substantial part of which will be used in LDCs for the implementation of projects through the Turkish International Cooperation Agency (TIKA);

21. *We commend* Turkey for taking the initiative of organizing the Ministerial Conference "Making globalization work for the Least Developed Countries" and express our deep gratitude and sincere appreciation to the Government and people of Turkey for their warm hospitality, generosity and the facilities made available to ensure its success;

22. *We express appreciation* for the efforts of the United Nations Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS), and other

relevant United Nations agencies, Funds and Programmes in particular United Nations Development Programme (UNDP), United Nations Conference on Trade and Development (UNCTAD), Food and Agricultural Organisation of the United Nations, in advancing the implementation of the Brussels Programme of Action and in contributing to the successful outcome of this Conference.